

## Understanding the Senate's fumble on S. 1789

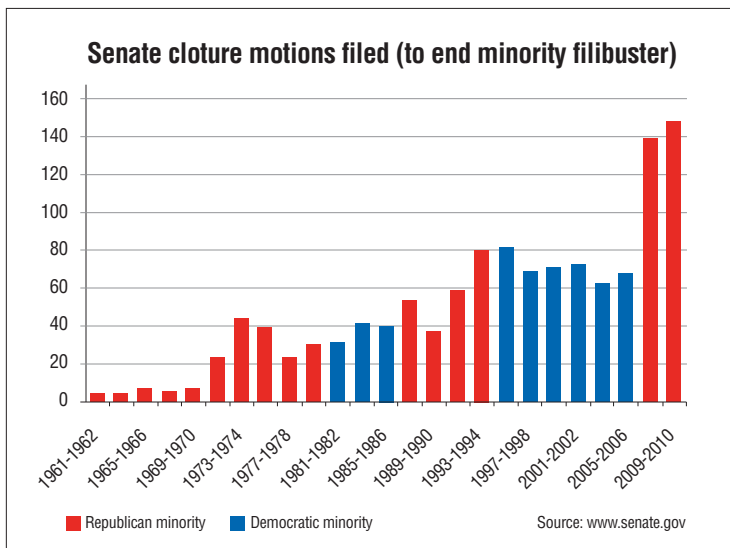


In May, Senate Majority Leader Harry Reid finally threw in the towel on the Senate filibuster, a maneuver that allows a minority of senators (41) to prevent a vote on any legislation. At the beginning of the current Congress, Reid opposed a proposal to change the rules after the GOP failed to act on more than 400 bills passed by the House of Representatives in the prior Congress. He attempted to reach a gentleman's agreement with his Republican counterpart to control the growing abuse of the filibuster rule. But in the 112th Congress, the problem has only gotten worse.

So after enduring 360 filibusters from the GOP minority since 2007, Reid announced that he would support filibuster reform in the new Congress next year. Unfortunately, as we found out in April when the Senate took up postal reform, that will be two years too late for us.

The filibuster is not in the U.S. Constitution. This perversion of democracy allows 41 senators, from states totaling as little as 11 percent of the nation's population, to block any legislation. Although the Constitution identifies just a handful of circumstances where a super-majority is required for congressional action—to enact treaties and constitutional amendments or to override presidential vetoes, etc.—it now takes 60 votes to take any action in the Senate because of the routine use of the filibuster rule.

The chart below captures the growing abuse of the filibuster in recent decades, for which both parties share the blame (though not evenly).



**Why should letter carriers care about this?** Of course, as citizens we should care for the health of our democracy. But why should we care as employees of the United States Postal Service?

Here's why. At the end of April, the Senate approved a fatally flawed postal reform bill in large part because the warped "minority rules" nature of the U.S. Senate made it impossible to enact a real solution to the postal crisis. The need to get 60 votes led senators to abandon any attempt to fix or repeal the retiree health pre-funding burden that has crushed the Postal Service's finances in recent years. (That uniquely unfair burden accounts for 85 percent of the \$32 billion in losses reported since 2007—and 96 percent of the \$3.2 billion loss just reported for the second quarter of fiscal 2012.) And it empowered right-wing ideologues in the Senate to withhold any cooperation on resolving the crisis.

Instead, the Senate adopted S. 1789, a bill that would mandate a massive downsizing of the Postal Service in order to preserve the pre-funding burden. At the center of this downsizing is the elimination of Saturday delivery in two years, which would trigger the opening of Americans' mail boxes to unaccountable delivery providers on days the Postal Service doesn't deliver (Saturday and Sunday).

The specter of the filibuster meant that the bill had to be watered down to attract enough votes from a generally anti-USPS Republican party to win a super-majority. So a long-term fix for the Postal Service, which would have repealed the pre-funding burden or financed it by implementing the independent audits of CSRS that found massive surpluses in the postal pension account, was abandoned in favor of a destructively narrow bill that can serve only as a temporary Band-Aid.

The 21st Century Postal Service Act (S. 1789) fails to create a viable business model for the Postal Service. Such a model would allow it to innovate and to enter into joint ventures with private companies in order to explore new uses for its networks. It would also allow the USPS to price its products more flexibly. And it would build on the Postal Service's dominance of the last mile, not weaken it.

**Unfortunately, S. 1789 provides only short-term financial relief—it would release the \$11.7 billion surplus in the postal FERS pension fund to the USPS, but only in return for a plan that targets 116,000 jobs (18 percent**

of all postal jobs) for elimination. Indeed, 25 percent of the FERS money is earmarked for buyouts to implement the postmaster general's radical downsizing plan—though the legislation provided a two-year delay on the shift to five-day delivery and a three-year delay on some plant closings.

S. 1789 would saddle the Postal Service with pre-funding payments for retiree health insurance of between \$4.7 billion and \$5.3 billion per year over the next 10 years—a cost that no other agency or company in America faces—even though it has already set aside enough (\$44 billion) to fund this insurance for decades. This burden is driving the PMG's disastrously misguided and deeply flawed business plan to degrade our networks to cut costs.

If enacted, S. 1789 would all but guarantee the gradual destruction of the Postal Service—it will drive more letter volume away and stunt our strong growth in parcels.

Every amendment offered during the Senate debate needed 60 votes to pass, so senators knew in advance that most of the amendments we fought for—on Saturday service, on FECA benefits, etc.—could

not pass. We won the amendment on door-to-door delivery only because Sen. Chuck Schumer managed to get a voice vote on the matter. Given this 60-vote reality, the debate of the “world's greatest deliberative body” on the postal bill was as phony as a \$3 bill. The result was pre-ordained.

**We are obviously disappointed with what happened in the Senate.** Dozens of senators whom we have supported over the years voted the wrong way on final passage, which we vigorously opposed. A small group inexplicably voted against the Udall (six-day) and Akaka (FECA) amendments. Most were motivated by a perceived need to avert massive post office and plant closings in their states, which the postmaster general threatened to implement after a moratorium on closings ended on May 15. Others cited the support

for the legislation by the APWU and the NPMHU, which, for their own reasons, judged the bill better than nothing.

Obviously, we disagreed with both excuses, but especially the first one. The Senate could have rejected the PMG's threats and extended the May 15 moratorium by agreement, or by legislating it directly. The FERS surplus could be released and/or the pre-funding burden could be suspended while Congress developed a real solution to the crisis. A balanced plan that requires all stakeholders to sacrifice to build a viable Postal Service for the 21st century is both essential and possible. Instead, the Senate produced S. 1789.

**“The future of the Postal Service is too important to leave it to the politicians. Nobody cares more about the USPS than its employees. We have to Save America's Postal Service and, with your help, we will.”**

**There is no filibuster rule in the House** of Representatives, but the Issa bill it is considering (H.R. 2309) is even worse than S. 1789. It would target 200,000 jobs and gut our collective-bargaining rights. Fortunately, the legislative process is far from over, and we have no intention of giving up. The House may or may not pass H.R. 2309. That bill may or may not be reconciled with S. 1789. And the president may or may not sign whatever compromise bill that might emerge. There are at least three more steps in the process and we must use all our resources to influence the results of each step along the way.

The future of the Postal Service is too important to leave it to the politicians. Nobody cares more about the USPS than its employees. We have to save America's Postal Service and, with your help, we will. ☒